

**EXHIBIT 120 TO  
HARVEY DECLARATION  
REDACTED VERSION**

# Produced in Native



# Proposal of New Google Compensation Philosophy

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Summary for Google's Board of Directors  
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# Broad Employee Base Summary



Google has historically hired top-of-market talent, but we have targeted the market [REDACTED] for base salary and target total cash. We successfully attracted and retained this talent at a “discount” based on our brand premium and strong growth.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1. Salary competitiveness based on 2009 Googlegeist
2. Relative comp. element value based on 2008 conjoint study: equity valued at [REDACTED], bonus valued at [REDACTED] of base pay
3. Shifting the company multiplier to salary achieves the [REDACTED]. An additional [REDACTED] increase is required to achieve our target
4. Based on 2010 Are You Fiscally Fit survey. Googlers adjust personal cost structure proportionally with salary increase/decrease

# Broad Employee Base

## Detail: Proposed changes to cash compensation



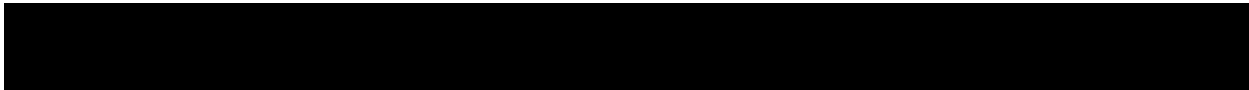
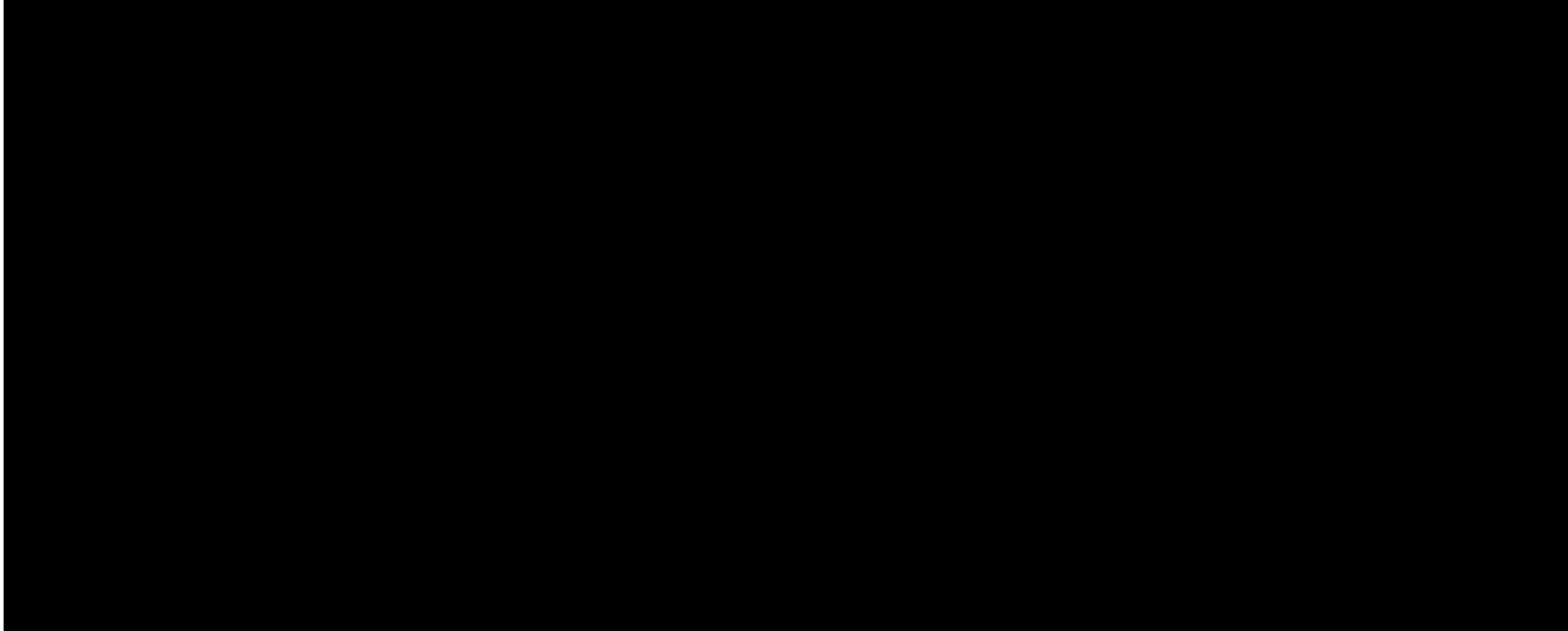
### Proposal

- Target top-of-market pay levels for salary and total cash [REDACTED]
- Employees would forfeit company multiplier to partially fund increases

### Rationale

- Google hires top-of-market talent, but historically we have targeted the market [REDACTED] for base salary and target total cash. Increasing cash compensation levels will support our goal of attracting and retaining the world's best talent

### Program Mechanics

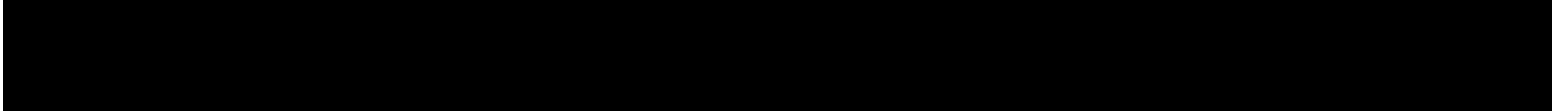


# Broad Employee Base

## Detail: Proposed changes to equity compensation



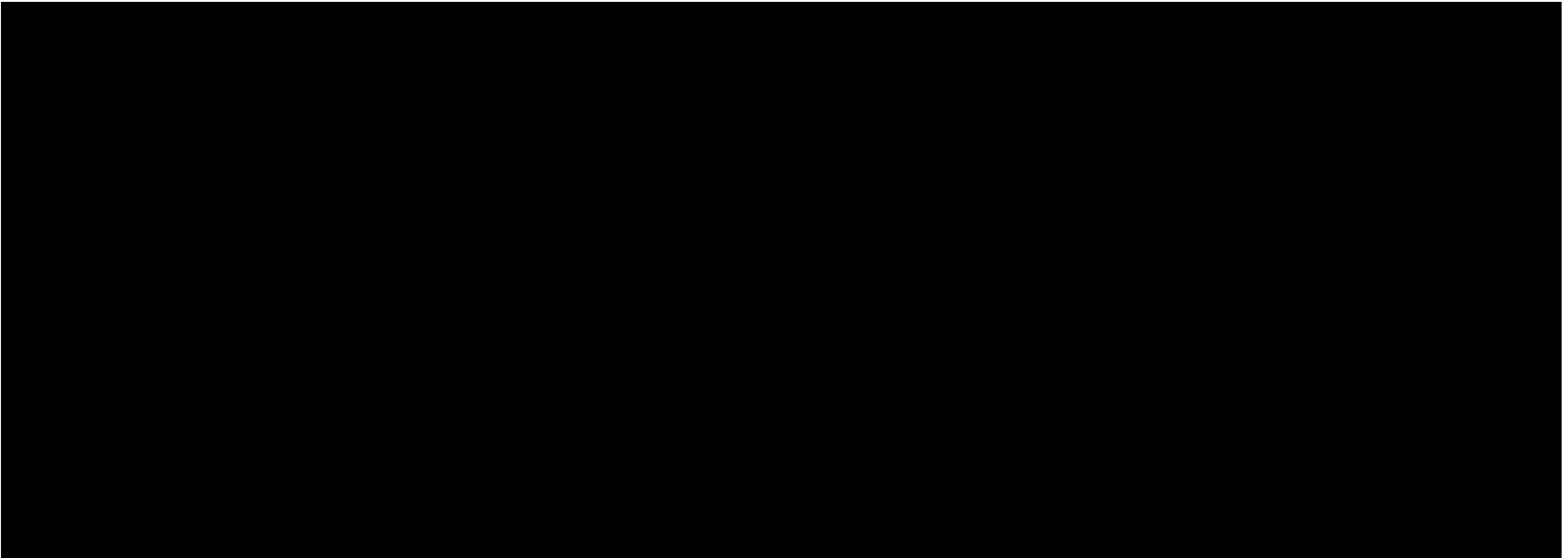
### Proposal



### Rationale

- Googlers currently discount the value of equity due to the infrequency of vesting and lack of understanding of stock options

### Program Mechanics



DOES THIS NEED TO BE REVIEWED BY THE FULL BOARD?

# Appendix:

## Examples of Impact on Salary and Bonus



The following examples illustrate the impact of our proposal for 2010 vs. 2011 cashflows of US-based software engineering and direct ad sales populations:

(values in \$000s)

Title	Current Target with CM=1.0				Current Target with CM=2.0				Post-Adjustment Target (No CM) <sup>1</sup>					% TCC Δ	
	Base	Bonus %	Bonus \$	TCC	Base	Bonus %	Bonus \$	TCC	Base	Base Δ	%	Bonus %	Bonus \$	TCC	from Curr. CM=2.0
Software Engineer Ladder, US															
Direct Ad Sales Ladder, US															

Note: CM = Company Multiplier